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April 10, 2020

VIA E-MAIL AND FEDEX

Courtney Avery
Board Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

Re: Alteration Request Project #16-012, Transitional Care of Mundelein

Dear Ms. Avery:

I am writing on behalf of Innovative Health, LLC and the other related permit holders (collectively the "Permit Holders") in regards to Transitional Care of Mundelein Project #16-012. The purpose of this letter is to request an alteration of the approved permit pursuant to Ill. Admin. Code Section 1130.750. Enclosed with this letter are updated application pages to address the alteration request and applicable review criteria related to the alteration.

The Permit Holders working in conjunction with the Illinois Department of Public Health ("IDPH") have worked aggressively over the last several weeks to move up the project completion date to address a need for additional patient space as a result of the ongoing COVID-19 pandemic. This accelerated schedule has required the Permit Holders to undertake work at a faster pace, work for longer periods of time (requiring overtime pay for its workers) and order materials for expedited delivery. The Permit Holders have carefully monitored the project costs and have concluded that an alteration request at this time would be prudent and allow for the orderly completion of the facility and the ability of the new facility to accept patients.

In an effort to ensure compliance with the Illinois Health Facilities and Services Review Board ("HFSRB") rules the Permit Holders are seeking to increase the project costs to the maximum amount allowable. The Permit Holders propose to increase the project costs for Project #16-012 by \$2,046,289 or just under 7% as permitted by the rules. These increases will be reflected in the new construction costs line item. The source of funds for these additional dollars will be from existing cash reserves. To date the Permit Holders have spent \$ 22,074,452 of the approved project costs. The exterior of the facility is nearing 100% completion and the remaining work is design related. The increased project budget will give the Permit Holder flexibility to expedite items to the site and utilize alternative finish items, constructability

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techniques, and available manpower resources to bring the project to completion and to meet applicable IDPH life safety and design standards.

The Permit Holders are also seeking an alteration to increase the size of the project by 2,796 gross square feet, or just over 3% of the originally approved 90,000 gross square feet. The Permit Holders made strategic adjustments to improve interior sight-lines and service functions. As you will see in the enclosed updated application pages these changes only affect the non-clinical and service corridor space of the building.

We have enclosed updated application pages to address the aforementioned alteration requests. If you have any questions or need any additional information regarding the project, please feel free to contact me via phone at 312-212-4967 or via email at JMorado@beneschlaw.com

Very truly yours,

BENESCH, FRIEDLANDER,
COPLAN & ARONOFF LLP

A handwritten signature in black ink, appearing to read "Juan Morado Jr.", with a stylized flourish at the end.

Juan Morado Jr.